

ALERT

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Heat Illness Coalition Seeks Outdoor Employers



The California Chamber of Commerce is encouraging interested parties to join the Heat Illness Prevention Coalition as it prepares to voice concerns about

draft revisions to California's unique heat illness prevention regulations.

The coalition believes the proposal will hurt employers and won't create safer outdoor workplaces in California.

California adopted the first heat illness prevention regulation in the nation in 2005 and remains the only state to regulate the prevention of heat illness.

Draft Changes

The Division of Occupational Safety and Health (Cal/OSHA) submitted a draft

version of proposed amendments to the heat illness prevention regulation to the Occupational Safety and Health Standards Board (Board) for rulemaking on May 27.

The draft proposal is online at www.dir.ca.gov/dosh/doshreg/heatillprevent.html.

Public Comments

The coalition anticipates a public comment period to open August 1 and the public hearing to occur in mid-September at the Cal/OSHA Standards Board. In the meantime, it is important that employers understand the potential impact of this proposal, and how it changes the current heat illness prevention regulation, Title 8, Section 3395.

The CalChamber is encouraging
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Governor Signs Bill Easing Transition to Implementing Federal Health Care Law



SUPPORT

Governor Edmund G. Brown Jr. has signed California Chamber of Commerce-supported legislation that will help small employers control their health care costs.

SB 1446 (DeSaulnier; D-Concord, Chapter 84) allows small employers that renewed their health coverage in 2013 to extend their pre-Affordable Care Act (ACA) health care policies through December 31, 2015.

In March 2014, President Barack Obama announced that, with state authori-

zation, small businesses would be allowed to continue renewing pre-ACA health coverage through 2016, and for those plans to remain in force until fall 2017.

The change to California law allows small employers in California to take advantage of the first year of the extension announced by the President.

The extended transitional period will give small employers more time to prepare to bear the costs associated with plans that fully comply with the ACA, minimizing the potentially negative impacts this new burden could have on the continuing economic recovery.

Staff Contact: Mira Guertin

U.S. Supreme Court Rejects National Labor Relations Board Appointments



The U.S. Supreme Court has unanimously concluded that President Barack Obama's "recess" appointments to the National Labor Relations Board (NLRB) were invalid.

The case is [*National Labor Relations Board v. Noel Canning*](#).

In order for the NLRB to issue valid decisions, it must have a legally authorized "quorum"—a minimum number of members who must be present to make the proceedings valid.

Noel Canning, a Pepsi-Cola distributor, asked the court to set aside an NLRB order. Canning claimed that the NLRB lacked a valid quorum at the time it issued the order because three of the five NLRB members had been invalidly appointed by President Obama during a short break in the U.S. Senate.

Appointments Unlawful

In the June 26 decision, the Supreme Court agreed that the appointments were unlawful and placed limits on the ability of presidents to make recess appointments.

In addition to its key impact on presidential powers, the case is important for employers because it calls into question the validity of several key decisions the

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Inside

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Cal/OSHA Corner**Hazard Communication Rule Gets Revision for U.S. Conformity**

Mel Davis
Cal/OSHA Adviser

I hear the Occupational Safety and Health Standards Board has revised the Hazard Communication Standard to bring it into conformity with its federal counterpart. What effect will that have on my operations?

The Cal/OSHA Standards Board has adopted two supplemental rulemakings to bring California's Hazard Communica-

tion regulation into conformity with the previously adopted federal Globally Harmonized Systems (GHS), the federal hazard communication regulation.

The regulations were adopted on May 5 and went into effect on May 6, 2014.

Simple Revisions

One rulemaking dealt with revisions to definitions, changes in terminology from classes to GHS categories—for example, class I liquids replaced with category 1 or 2 flammable liquids or category 3 liquids with flashpoint below 100 °F (37.8 °C), some wording addressing the grounding of portable containers, and editorial revisions for clarity.

Extensive Changes

The second rulemaking addresses many more items. There are revisions to the construction asbestos hazard communication, training, and safety data sheets, in addition to revisions to warning labels and signs warning of the effects on the lungs and for cancer.

In addition, there are health hazard warnings relating to cadmium, lead hazards, chromium and methylenedianiline.

Also, Appendix B to section 1532.1 updates the warning to address birth defects, fertility, brain damage, and prohibition against eating, smoking or drinking in a lead work area.

Section 5194(c), definitions, has been revised extensively. Definitions have been

revised for consistency with GHS, terminology revised or replaced, and new definitions added to clarify much of the revised regulation.

Subsection (d)(2) has been revised requiring manufacturers, importers and employers when classifying chemicals to consider a full range of scientific literature and other evidence.

There are additional terminology, labeling and format revisions to subsections (d)(5), (e), (f), and (g). Subsections (h), (i), and (j) have been revised to reflect training on the new labeling, safety data sheet format, terminology, trade secret requirements and the effective dates when the training is to be accomplished.

All the regulated carcinogens, Article 110, have been updated for the hazard classification and communication, training and access to labels and safety data sheet requirements.

The Standard Board website at www.dir.ca.gov/oshsb/oshsb.html includes the regulation text adopted by the board, with strikeout and underlined text to show revisions.

The Labor Law Helpline is a service to California Chamber of Commerce preferred and executive members. For expert explanations of labor laws and Cal/OSHA regulations, not legal counsel for specific situations, call (800) 348-2262 or submit your question at www.hrcalifornia.com.

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CalChamber-Sponsored Seminars/Trade Shows

More information: calchamber.com/events.

Labor Law

HR Boot Camp. CalChamber. August 19, Santa Rosa; September 3, Anaheim. (800) 331-8877.

Business Resources

12th Annual Conference. California Coalition on Workers' Compensation featuring CalChamber Policy Advocate Jeremy Merz. July 16-18, Anaheim. (916) 441-4111.

Olix Awards. Olix Global. September 1-2, Hollywood. (949) 679-6066.

International Trade

Streamlining Global Trade. Monterey Bay International Trade Association. July 17, Palo Alto. (831) 335-4780.

Japan-U.S. Innovation Symposium. Japan Society of Northern California. July 25, Stanford. (415) 986-4383.

Governor's Mexico Mission. CalChamber. July 27-30, Mexico City, Mexico. (916) 444-6670.

Ethiopia Business and Investment Forum. Consulate General of Ethiopia in Los Angeles. August 1, Los Angeles. (310) 616-6910.

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Next Alert: August 1



U.S. Supreme Court: Illinois Workers Can't Be Forced to Pay Union Dues



The U.S. Supreme Court has ruled that Illinois state home care workers who do not want to join or support a union can't be forced to pay compulsory union dues.

In *Harris v. Quinn*, the court ruled 5-4 on June 30 that the compulsory union dues were a violation of First Amendment free speech rights. The court's ruling is limited because it did not consider the employees involved in the case to be "full-fledged public employees."

Instead, the court considered them "partial-public employees" and "quasi-public employees."

Earlier Ruling Intact

The court declined to overturn an earlier U.S. Supreme Court ruling, *Abood v. Detroit Board of Education*. That nearly 40-year-old decision held that unions can collect dues from public-

sector employees if the dues are used for collective bargaining and other activities germane to the union's duties as a collective bargaining representative.

These dues provisions often are referred to as "fair share" provisions: the public sector union requires all workers covered by the collective bargaining agreement to pay a "fair share" of the costs that a union incurs in negotiating on their behalf for better terms of employment.

Reasoning Questioned

Although the Supreme Court did not directly overturn *Abood*, the court did attack its foundation and basic reasoning.

In one scathing sentence from the opinion, Justice Samuel Alito, writing for the majority, stated: "except perhaps in the rarest of circumstances, no person in this country may be compelled to subsidize speech by a third party that he or she does not wish to support."

Case Background

The underlying case involved personal assistants who provided in-home health

care services to Illinois residents with disabilities and other health issues.

The state paid the personal assistants, but the individual recipient controlled most aspects of the employment relationship with the assistant, including hiring, firing, training, supervising and disciplining.

The personal assistants were recognized by law as state employees for purposes of collective bargaining, and the SEIU Healthcare Illinois & Indiana (SEIU-HII) was designated as the exclusive union representative.

The collective-bargaining agreements with the state contained a union security clause, which required all assistants who did not wish to join the union to pay a union fee for the cost of certain activities, including those tied to the collective-bargaining process.

A group of personal assistants brought a class-action lawsuit against the union, claiming that the fees violated the First Amendment.

Staff Contact: Gail Cecchettini Whaley

Local Chamber Executive to Serve on State Retirement Savings Board



Cynthia Pollard

Cynthia Pollard, president and CEO of the Greater Bakersfield Chamber of Commerce since 2012, has been appointed to the California Secure Choice Retirement Savings Investment Board.

Her appointment was supported by the California Chamber of Commerce.

The nine-member board, created by SB 1234 of 2012 (Chapter 734), is required to do a market analysis and feasibility study to determine whether sufficient funding will be available from a variety of sources to make the proposed new pension plan (for workers who lack access to retirement savings plans through their jobs) self-sustaining.

Pollard held several positions at the Pacific Gas and Electric Company from 2009 to 2012, including manager of local government relations and manager of media relations. She was president of Cynthia Pollard Communications Inc. from 1993 to 2009 and served in several positions at Bakersfield College from 1986 to 1993, including director of public information and publications and business management instructor.

Pollard was a professional development specialist at Kaiser Permanente

Southern California (1984–1986), professional employment specialist and training and development representative at Walt Disney Productions Studio and Disneyland (1980–1984) and television field reporter at the Disney Channel in 1983.

She is a member of the U.S. Chamber of Commerce Public Affairs Council, the Mid State Development Corporation Board of Directors and the Rotary Club of Bakersfield Downtown.

She earned an M.A. from the University of La Verne.

CalChamber-Sponsored Seminars/Trade Shows

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K-TECH Silicon Valley 2014 Conference/Expo. Korea Trade-Investment Promotion Agency (KOTRA) and National IT Industry Promotion Agency (NIPA). September 24–25,

Santa Clara. (408) 432-5044.
Trade Expo Indonesia. Ministry of Trade of the Republic of Indonesia. October 8–12, Jakarta, Indonesia.
Tissue Middle East Show. Nile Trade Fairs. October 22–24, Cairo, Egypt.

Businesses Nationwide Urging Support for Reauthorizing Export-Import Bank



The California Chamber of Commerce and businesses across the nation are urging Congress to support legislation to reauthorize the Export-Import Bank of the United States (Ex-Im) before its operating authority expires on September 30.

Failure to reauthorize the Ex-Im Bank would put at risk the more than 200,000 U.S. jobs at 3,400 companies that depend on Ex-Im to compete in global markets.

Help for Small, Medium Firms

Small and medium-sized businesses account for more than 85% of the Ex-Im Bank's transactions. Tens of thousands of smaller companies that supply goods and

services to large exporters also benefit from Ex-Im's activities.

Other countries are providing their own exporters with an estimated \$1 trillion in export finance—often on terms more generous than Ex-Im can provide. Germany, France, China, India and Korea have equivalents of Ex-Im that in recent years have provided two to seven times the level of support for their exporters that Ex-Im has provided to U.S. exporters.

Failure to reauthorize Ex-Im will send manufacturing jobs overseas, threatening the competitiveness of thousands of small and medium-sized manufacturers that depend on Ex-Im to reach new markets. Services provided by Ex-Im—from insurance guarantees to export financing—can make or break a sale for

small businesses seeking to grow through exports where private sector lending and guarantees are not available on a competitive, market-based rate.

Reducing Deficit

Not only does Ex-Im directly support U.S. jobs, it has consistently reduced the federal deficit for more than eight decades. Ex-Im charges fees for its services that last year allowed it to return more than \$1 billion to the U.S. Treasury after covering all its expenses.

Ex-Im loans are safe because they are backed by the collateral of the goods being exported; borrowers have defaulted on less than 2% of all loans backed by Ex-Im over the past eight decades, a default rate lower than commercial banks.

Staff Contact: Susanne Stirling

U.S. Supreme Court Rejects National Labor Relations Board Appointments

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NLRB issued while it did not have a legally required quorum from January 4, 2012 to August 2, 2013.

During the time in question, the NLRB issued significant orders relating to workplace investigations, discipline of employees for social media usage and employer handbook policies.

Potential Ramifications

This case could result in the setting aside of many of these past NLRB deci-

sions, including decisions that have an impact on employers in all workplaces, both union and nonunion. At the least, *Noel Canning* causes uncertainty regarding these earlier decisions. On the other hand, the majority of the current, valid board appears to have a similar agenda to the prior board, so employers are not likely to see an overall change in the board's approach.

NLRB Chairman Mark Gaston Pearce issued a [statement](#) indicating that the NLRB is "analyzing the impact" of the

decision on the cases in which the recess appointees participated. According to Pearce, "[t]he Agency is committed to resolving any cases affected by today's decision as expeditiously as possible."

In the interim, employers should wait for further information from the NLRB before disregarding opinions issued while the invalid board was in place. Employers with questions about this decision and the impact it may have on their workplace should seek advice of counsel.

Staff Contact: Gail Cecchetti Whaley

Heat Illness Coalition Seeks Outdoor Employers

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businesses to join the coalition to stay informed on action needed regarding the proposed changes.

In general, the coalition is concerned that the proposed changes are unnecessary, overly burdensome, and would be disruptive to employers already complying with the current requirements.

Coalition Concerns

Cal/OSHA has not shown the need for such far-reaching rules nor provided any

evidence of necessity to justify the draft changes.

The proposal is unprecedented in its overly prescriptive approach rather than following Cal/OSHA's long-standing practice of providing performance standards.

The coalition also questions whether the provisions are feasible, enforceable and clear enough for compliance.

Join Coalition

The coalition will continue to analyze

the provisions of the proposal and draft public comments.

Readers who wish to join the coalition and support maintaining a reasonable approach to heat illness prevention in California can sign up by emailing their contact information to heatillness@calchamber.com.

Associations and individual businesses of all sizes with outdoor employees are encouraged to join.

Staff Contact: Marti Fisher

CalChamber Status Update Report on Major Legislation for Business

The following list summarizes top priority bills for the California Chamber of Commerce and their status as of July 3, when the Legislature began its summer recess.

Within each subject area, the list presents bills in order of priority with the highest priorities at the top.

The CalChamber will publish a second status report in September, showing the status of priority legislation when

the Legislature begins its final recess on August 31.

September 30 is the last day for the Governor to sign or veto bills passed by the Legislature on or before August 31.

The CalChamber will publish its final status report, showing the ultimate fate of bills sent to the Governor this year, in October.

Bills signed by the Governor will become law on January 1, 2015. Urgency

and budget-related measures go into effect immediately upon being signed.

Each fall, the CalChamber also publishes a record of legislators' votes on key bills affecting the California business climate. Generally, the bills selected for the vote record have appeared in one of the status reports. This year's vote record is scheduled to be published on October 17.

Federal bills are marked with an *.

Status of bills as of July 3, 2014. Dates listed are the date the bill was assigned to a committee, the latest date of committee action, the next hearing date or when the bill reached the floor, unless action is stated.

Subject—CalChamber Position	Status
Agriculture and Natural Resources	
California-Only New Labeling Requirements and Increased Litigation. SB 1381 (Evans; D-Santa Rosa) Increases cost of food productions and increases frivolous litigation by forcing farmers and food companies to implement costly new labeling, packaging, distribution and recordkeeping for products sold in California. Latest amendments remove private right of action that would have led to increased litigation on all entities in the supply chain if a product was not properly labeled. Job killer tag removed, but CalChamber still opposes. Oppose/ Former Job Killer 2014.	Failed Passage in Senate 5/29/14
California-Only New Labeling Requirements and Increased Litigation. SB 1040 (Evans; D-Santa Rosa) Increases cost of food productions and increases frivolous litigation by forcing farmers and food companies to implement costly new labeling, packaging, distribution and recordkeeping for products sold in California. Oppose.	Assembly Agriculture 6/23/14; Failed Deadline
Coastal Commission Enforcement. AB 976 (Atkins; D-South Park/Golden Hill) Inappropriately expands the Coastal Commission's enforcement authority by allowing the commission to impose administrative civil penalties and incentivizes the imposition of fines and penalties at the expense of due process that occurs in the judicial system. Oppose.	Assembly Conference Committee 1/7/14
County Planning. AB 1961 (Eggman; D-Stockton) Imposes a new county land use mandate to develop sustainable farmland strategy that includes mapping agricultural lands and mitigation for loss. Oppose.	Held in Assembly Appropriations Suspense File 5/23/14; Failed Deadline
Extend Sunset Date. AB 2075 (Alejo; D-Salinas) Fosters economic growth in the retail, fashion and design industries by extending the sunset on imports of certain reptile skins to January 2025. Support.	Senate Floor
Penalties. AB 1722 (Bigelow; R-O'Neals) Deters livestock theft by imposing a \$1,000 per head fine and prohibiting a violator from registering a brand. Support.	To Governor
Livestock. AB 1437 (Mullin; D-South San Francisco) Interferes with business management decisions regarding the health of farm animals. Bans use of antibiotics unless prescribed by a veterinarian. Oppose.	Assembly Agriculture 4/23/14; Failed Deadline

Subject—CalChamber Position	Status
New Requirements. SB 1087 (Monning; D-Carmel) Before amendments, expanded the requirements and increased the cost of a farm labor contractor's license. Unfairly made public the content of a contract for labor between a grower and a farm labor contractor. Opposition removed due to May 27, 2014 amendments. Neutral.	Assembly Appropriations 6/30/14
Banking/Finance	
Uniform Commercial Code Amendments. AB 1858 (Perea; D-Fresno) Minimizes current documentation needed to verify the identity of a business borrower by allowing use of an alternative means of identification in a commercial lending transaction that is common practice in 37 other states. Support.	Senate Floor 7/1/14
Technology. AB 2209 (Dickinson; D-Sacramento) Accommodates use of new technologies and the movement toward online and mobile apps for the transmittal of funds by updating the Money Transmitters Act. Support.	Senate Appropriations Hearing 8/4/14
Property Titles. AB 1698 (Wagner; R-Irvine) Before amendments, inappropriately punished and stripped the rights of innocent third parties who finance or purchase real property and later discover that the underlying documents are false. Opposition removed due to May 28, 2014 amendments. No Position.	Senate Floor 6/26/14
California Environmental Quality Act (CEQA)	
Substantial Expansion of CEQA. AB 52 (Gatto; D-Los Angeles) Creates more opportunities for litigation and substantially increases project cost and delay by creating mandatory consultation requirements with Native American Tribes and by requiring lead agencies to analyze a project's impacts to an entirely new resource area called Tribal Cultural Resources. Oppose/ Job Killer .	Senate Appropriations Hearing 8/4/14
Substantially Reduces Cost and Delay in the CEQA Process. SB 1451 (Hill; D-San Mateo) Significantly limits use of the "document dumping" tactic in CEQA cases, wherein project opponents seek to intentionally delay project approvals by submitting lengthy, detailed comment letters and extensive documentation on the day of the public hearing. Support.	Senate Judiciary 5/1/14; Failed Deadline
Expedites and Reduces Cost for Levee Construction Projects. AB 1849 (Logue; R-Marysville) Streamlines infrastructure development by exempting levee maintenance, repair, or replacement projects from CEQA review. Support.	Assembly Natural Resources 2/27/14; Failed Deadline
Expedites and Reduces Cost for Infill Development. SB 674 (Corbett; D-San Leandro) Streamlines infill development by expanding the variety of mixed-use developments that may qualify for CEQA's infill exemption. Support.	Assembly Appropriations 6/26/14
Limits CEQA Litigation. SB 834 (Huff; R-Diamond Bar) Streamlines the CEQA process and provides certainty for employers seeking to expand in California by prohibiting litigation over aspects of a project that meet all existing state, local, and federal environmental standards. Support.	Senate Environmental Quality 3/20/14; Failed Deadline
Expedites and Reduces Cost for Recycled Water Pipeline Projects. AB 2417 (Nazarian; D-Sherman Oaks) Streamlines infrastructure development by exempting certain recycled water pipeline installation and maintenance projects from CEQA review. Support.	Senate Environmental Quality 6/5/14; Failed Deadline
Clarifies Writ of Mandate Procedure in CEQA Cases. AB 515 (Dickinson; D-Sacramento) Before amendments, taxed already-limited judicial resources by establishing a land-use division in the court system to try and expedite CEQA and other permitting cases. Opposition removed due to January 6, 2014 amendments. Now, directs courts to be specific in identifying the issue or activities a lead agency needs to address in order to comply with a court ruling in a CEQA case. No Position.	Senate Environmental Quality 6/5/14; Failed Deadline

Subject—CalChamber Position	Status
Costly New CEQA Requirement. AB 543 (Campos; D-San Jose) Before amendments, increased the cost and burden of development, and exposed lead agencies and project proponents to new lawsuits, by requiring them to translate CEQA notices into all languages spoken by 25% or more of the individuals located at or near an area of the proposed project. Opposition removed due to June 18, 2014 amendments. No Position.	Senate Appropriations Hearing 8/4/14
Climate Change	
Increased Fuel Costs. SB 1156 (Steinberg; D-Sacramento) Increases costs for businesses and consumers throughout the state by imposing a carbon tax on gasoline at the pump. Oppose.	Senate Governance and Finance 3/6/14
AB 32 Extension. SB 1125 (Pavley; D-Agoura Hills) Threatens California businesses with additional regulation and increased costs by directing the California Air Resources Board to develop recommendations and a timetable for greenhouse gas and short-lived climate pollutant reduction strategies beyond 2020 without including a comprehensive economic analysis. Oppose Unless Amended.	Held in Senate Appropriations Suspense File 5/23/14; Failed Deadline
Reduces Compliance Costs for AB 32. AB 2083 (B. Gaines; R-Rocklin) Reduces the cost of AB 32 compliance and provides greater opportunities to meet compliance obligations by removing geographic restrictions on offsets. Support.	Failed Passage in Assembly Natural Resources 4/8/14; Reconsideration Granted; Failed Deadline
Increased Fuel Costs. AB 1992 (Quirk; D-Hayward) Creates an additional burdensome layer to the Low Carbon Fuel Standard by adding a new “very low carbon fuel” mandate. Oppose.	Failed Passage in Senate Transportation and Housing 6/26/14; Reconsideration Granted
Premature AB 32 Auction Revenue Expenditures. SB 1122 (Pavley; D-Agoura Hills) Prematurely allocates auction revenues to the Strategic Growth Council for grants and loans to implement the goals of SB 375. Oppose.	Held in Senate Appropriations Suspense File 5/23/14; Failed Deadline
Premature AB 32 Auction Revenue Expenditures. SB 1204 (Lara; D-Bell Gardens) Prematurely allocates auction revenues to fund zero and near-zero emission truck and bus technologies. Oppose.	Assembly Appropriations 6/18/14
Premature AB 32 Auction Revenue Expenditures. SB 1268 (Beall; D-San Jose) Prematurely allocates auction revenues to fund the Natural Resources Climate Improvement Program in order to develop greenhouse gas reduction or sequestration projects. Oppose.	Held in Senate Appropriations Suspense File 5/23/14; Failed Deadline
AB 32 Auction Revenue Expenditures. SB 64 (Corbett; D-San Leandro) Prematurely spends AB 32 auction revenues to establish the Clean Technology Investment Fund for development, demonstration and deployment of technologies with the intent of reducing greenhouse gas emissions. Oppose.	Assembly Appropriations 7/2/14
Premature AB 32 Auction Revenue Expenditures. AB 2348 (Stone; D-Scotts Valley) Prematurely allocates auction revenues to fund the Natural Resources Climate Improvement Program in order to develop greenhouse gas reduction or sequestration projects. Oppose.	Held in Assembly Appropriations Suspense File 5/23/14; Failed Deadline
Premature AB 32 Auction Revenue Expenditures. AB 1970 (Gordon; D-Menlo Park) Prematurely allocates auction revenues for local assistance grants for community-level greenhouse gas emission reduction projects. Oppose.	Held in Assembly Appropriations Suspense File 5/23/14; Failed Deadline
Premature AB 32 Auction Revenue Expenditure. AB 1447 (Waldron; R-Escondido) Prematurely authorizes AB 32 auction revenues to be used to fund the synchronization of traffic lights. Oppose.	Senate Appropriations Hearing 8/4/14
Premature AB 32 Auction Revenue Expenditures. AB 1813 (Quirk; D-Hayward) Prematurely allocates \$100 million from the Greenhouse Gas Reduction Fund to establish the Fuel Producers Capital Assistance Fund. Oppose.	Assembly Natural Resources 2/27/14; Failed Deadline

Subject—CalChamber Position	Status
AB 32 Economic Analysis. AB 2050 (Quirk; D-Hayward) Before amendments, would have required a comprehensive economic impact analysis to be prepared in order to guide the California Air Resources Board and inform on the cost of AB 32 when submitting a proposal to the Legislature for further reducing greenhouse gas emissions. Support removed due to 6/30/14 amendments. Neutral.	Senate Appropriations 6/30/14
Corporate Governance	
State Business Climate. AB 2221 (Campos; D-San Jose) Streamlines the business filing process by establishing a council whose purpose is to provide businesses with points of contact for concerns or suggested innovations. Support.	Senate Appropriations Hearing 8/4/14
Provides Flexibility to Businesses. AB 2180 (Brown; D-San Bernardino) Creates more business certainty by coordinating the filing of a corporation's annual statement with the Secretary of State to fall in the same month as the filing of the corporation's tax return with the Franchise Tax Board, but not later than May 15 of each year. Support.	Held in Assembly Appropriations Suspense File 5/23/14; Failed Deadline
Provides Flexibility to Businesses. AB 2086 (I. Calderon; D-Whittier) Reduces burden on businesses by allowing certain limited liability companies to participate in gradual payment plans for purposes of paying their annual taxes, fees, and minimum franchise taxes. Support.	Held in Assembly Appropriations Suspense File 5/23/14; Failed Deadline
Reduces Filing Costs for California Businesses. SB 1041 (Jackson; D-Santa Barbara) Simplifies and clarifies business and other filing processes with the California Secretary of State. Support.	Assembly Floor 7/3/14
Economic Development/Local Government	
Local Economic Development Projects. AB 2280 (Alejo; D-Salinas) Encourages local economic growth by permitting certain local agencies to create a Community Revitalization and Investment Authority for the purpose of developing and financing infrastructure projects, affordable housing and economic revitalization projects. Support.	Senate Appropriations Hearing 8/4/14
Education	
New School Construction and Jobs. AB 2235 (Buchanan; D-Alamo) Continues a successful funding partnership between the state, local governments and developers by placing a new state general obligation bond on the November ballot to help upgrade, modernize and construct school facilities. Support.	Senate Appropriations Hearing 8/4/14
New Degree Programs. SB 850 (Block; D-San Diego) Establishes a pilot program in the California Community College System allowing the Chancellor to select certain community colleges to each offer a single bachelor's degree program in a subject area related to an unmet workforce need in its local community that does not overlap with any degree programs offered at nearby postsecondary institutions. Support.	Assembly Appropriations 6/26/14
Cal Grant Funding. AB 1318 (Bonilla; D-Concord) Provides reliable funding for students who choose to attend private colleges and universities, improving the ability of these schools to help meet the demands of California's workforce, by re-establishing a long-term funding formula for the maximum Cal Grant award available to students attending nonpublic colleges and universities. Support.	Senate Appropriations Hearing 8/4/14
Expands Career Pathways. AB 1451 (Holden; D-Pasadena) Expands concurrent enrollment programs between high schools and local community college districts to encourage more students to move on to postsecondary coursework and ensure students are developing skills that align with the needs of employers. Support.	Senate Appropriations Hearing 8/4/14

Subject—CalChamber Position	Status
Protects High-Quality Teachers. SB 1185 (Huff; R-Diamond Bar) Ensures that teachers with the most expertise in career pathways programs are not terminated simply because another less qualified teacher has a higher seniority ranking by expanding the list of circumstances under which a school district may deviate from the requirement to terminate teachers in order of seniority to include when a school district has a demonstrated need for personnel to staff its career pathways program. Support.	Failed Passage in Senate Education 4/30/14; Reconsideration Granted; Failed Deadline
Promotes STEM (Science, Technology, Engineering and Math) Education. SB 1008 (Wyland; R-Escondido) Asks state education policy makers to identify ways to increase the number of students who graduate from college with a degree in science or engineering, and exposes students to science and engineering earlier in their educations by requiring that these subjects be incorporated into the K-12 curriculum when the frameworks are next revised, thereby increasing the odds students will pursue postsecondary training in these subjects. Support.	Senate Education 2/27/14; Failed Deadline
Promotes Computer Science Education. AB 1764 (Olsen; R-Modesto) Creates an incentive for more students to take a computer science course in high school by making it possible for a school district to count such a course as a math course that meets one of the student's graduation requirements. Support.	Assembly concurrence in Senate amendments pending 6/30/14
Promotes Computer Science Education. SB 1200 (Padilla; D-Pacoima) Creates an incentive for more students to take a computer science course in high school by requesting that the University of California and California State Universities establish guidelines for high school computer science courses that would satisfy the "a-g" subject requirements for the area of mathematics for the purposes of undergraduate admissions at both institutions. Support.	Senate concurrence in Assembly amendments pending 6/26/14
Promotes Computer Science Education. AB 1539 (Hagman; R-Chino Hills) Ensures that computer science courses will be rigorous by requiring the State Board of Education to adopt content standards to provide guidance for teaching computer science in grades 7-12 to be used by schools that choose to teach this important subject. Support.	Senate Appropriations 7/2/14
Promotes Computer Science Education. AB 1530 (Chau; D-Monterey Park) Demonstrates the state's commitment to a growing sector of our economy by requesting that the state Superintendent of Public Instruction develop a model curriculum for computer science to help teachers expose students to this important subject early on, thereby increasing the chances they will develop an interest and continue to study computer science as they progress in their education. Support	Senate Appropriations 7/2/14
Promotes Computer Science Education. AB 2110 (Ting; D-San Francisco) Helps students understand the importance of computer science and develop coding skills that may be applied to any number of careers in later life by instructing the State Board of Education to incorporate computer science curriculum into the math, science, social studies and language arts frameworks when those frameworks are next revised. Support.	Senate Appropriations 7/2/14
Promotes Computer Science Education. AB 1540 (Hagman; R-Chino Hills) Provides more students with exposure to computer science courses in high school by permitting the governing board of a school district to allow a high school student to take one or more computer science courses at the community college level during any session or term with a recommendation from the community college dean and parental consent. Support.	Held in Assembly Appropriations Suspense File 5/23/14; Failed Deadline
Civics Education. SB 619 (Yee; D-San Francisco/San Mateo) Promotes civic engagement, which is important to democracy and free enterprise, by requiring the Department of Education, if private funds are secured for this purpose, to develop and make available online a state employee civics orientation on federal and state government. Support.	Assembly Desk 1/28/14; Failed Deadline
Promotes Computer Science Education. ACR 108 (Wagner; R-Irvine) Draws attention to the importance of computer science education and demonstrates the state's commitment to a growing sector of our economy by designating the week of December 8, 2014 as Computer Science Education Week. Support.	Chapter 42

Subject—CalChamber Position	Status
Elections and Fair Political Practices	
Ballot Initiative Reform. SB 1253 (Steinberg; D-Sacramento) Improves ballot initiative access and transparency for voters through incremental reforms. Support.	Assembly Appropriations 7/1/14
Energy	
Geothermal Procurement Mandate. SB 1139 (Hueso; D-Logan Heights) Increases the cost of energy by requiring the procurement of 500 MW of new geothermal energy. Oppose.	Assembly Appropriations 7/2/14
Prematurely sets 2030 Greenhouse Gas Goals. SB 1078 (Jackson; D-Santa Barbara) Increases the cost of energy throughout the state by imposing an “anticipated target” for greenhouse gas reductions in the electrical industry by 2030. Oppose.	Senate Rules 5/1/14; Failed Deadline
Promotes Energy Policy Synchronization. AB 1763 (Perea; D-Fresno) Promotes the synchronization of energy policies in order to increase reliability and reduce the cost for energy in the state by requiring the California Energy Commission to include a statewide energy plan within the Integrated Energy Policy Report. Support.	Senate Energy, Utilities and Communications 5/28/14; Failed Deadline
Creates Electricity Uncertainty. SB 1277 (Steinberg; D-Sacramento) Creates uncertainty surrounding the operation of the state electrical grid by prohibiting the California Independent System Operator from submitting proposals for procurement of electricity or capacity products in California unless they first have the approval of the California Public Utilities Commission. Oppose.	Held in Senate Appropriations Suspense File 5/23/14; Failed Deadline
Increased Energy Costs. AB 177 (V. M. Pérez; D-Coachella) Before amendments, increased energy costs throughout the state by imposing additional greenhouse gas emission requirements on electric corporations and by adopting a new loading order of preferred resources. Opposition removed due to January 15, 2014 amendments. No Position.	Assembly Inactive File 1/30/14; Failed Deadline
Electric Vehicle Charging Stations. AB 2565 (Muratsuchi; D-Torrance) Before amendments, created unnecessary operational issues for installing electric vehicle charging stations at commercial and apartment properties. Opposition removed due to May 27, 2014 amendments. No Position.	Senate Floor 6/26/14
Environmental Justice	
New Double Penalties. AB 1330 (John A. Pérez; D-Los Angeles) Discourages investment and expansion in some disadvantaged regions of the state by doubling most fines and penalties issued by the Air Resources Board (ARB), Department of Toxic Substances Control (DTSC) and Air Quality Management Districts (AQMDs) on facilities located there. Oppose/ Job Killer.	Placed on Senate Inactive File 9/13/13
Environmental Regulation	
Significantly Limits In-State Energy Development. SB 1132 (Mitchell; D-Los Angeles) Places California at a competitive disadvantage, increases fuel costs, impedes job growth and suppresses property, income and excise tax revenues by imposing a statewide moratorium on well stimulation treatments until the completion of a scientific study. Oppose/ Job Killer.	Failed Passage in Senate 5/29/14
Significantly Limits In-State Energy Development. AB 2420 (Nazarian; D-Sherman Oaks) Places California businesses at a disadvantage, increasing fuel costs, impeding job growth and suppressing property, income and excise tax revenues, by allowing local governments to impose local moratoriums on well stimulation treatments. Oppose/ Job Killer.	Failed Passage in Assembly Local Government 4/30/14; Reconsideration Granted; Failed Deadline
Protects Businesses from Proposition 65 Lawsuits. AB 2361 (Jones; R-Santee) Provides needed relief to small businesses by prohibiting a person from bringing a Proposition 65 lawsuit against a business employing fewer than 25 employees. Support/ Job Creator.	Assembly Environmental Safety and Toxic Materials 4/1/14

Subject—CalChamber Position	Status
Dramatically Increases Pollution Penalties. SB 691 (Hancock; D-Berkeley) Dramatically increases existing strict-liability penalties for nuisance-based, non-vehicular air-quality violations without adequately defining what types and levels of pollution would trigger those penalties. Oppose/ Job Killer .	Placed on Assembly Inactive File 9/13/13
Increases Cost of State Infrastructure. SB 1270 (Pavley; D-Agoura Hills) Increases the cost of construction aggregate used to build public transportation infrastructure such as roads, bridges, railways, and sidewalks, as well as homes, schools, hospitals, and water systems and treatment facilities, by substantially overhauling the Surface Mining and Reclamation Act. Oppose.	Senate Appropriations 6/11/14
Imposes Unlimited Fees on Crude Oil Transport. SB 1319 (Pavley; D-Agoura Hills) Creates significant new costs on crude oil transport by imposing an unlimited per barrel fee on owners of crude oil delivered by any method of transport. Oppose.	Assembly Appropriations 7/1/14
Imposes New Labeling Requirements on Businesses. SB 1019 (Leno; D-San Francisco) Mandates burdensome new product labeling requirements for manufacturers of upholstered furniture, which lack scientific justification, conflict with existing California consumer product and safety laws and regulations, and mislead consumers. Oppose.	Assembly Appropriations 6/30/14
Phases Out Use of Microplastics. AB 1699 (Bloom; D-Santa Monica) Creates a framework that lacks uniformity with other state requirements by prohibiting the sale of cleaning or personal care products containing microplastics. Oppose.	Senate Appropriations Hearing 8/4/14
Imposes New Labeling Requirements on Businesses. SB 1194 (Hueso; D-Logan Heights) Creates unnecessary reporting mandates by requiring each manufacturer and wholesaler of plastic products to establish an Internet website containing a plethora of information regarding the manufactured or sold plastic product. Oppose.	Senate Environmental Quality 4/21/14; Failed Deadline
Creates Government Mandated Marketplace for Lubricating Oil. SB 916 (Correa; D-Santa Ana) Before amendments, mandated the sale of only biosynthetic-based lubricant oil for both public and private use by 2017. Abruptly places the entire lubricating oil market into the hands of limited companies within an extraordinarily aggressive timeframe, thereby causing supply disruptions at the expense of both consumers and existing companies that currently supply nonbiosynthetic-based lubricant oil. Opposition removed due to April 21, 2014 amendments. No Position.	Failed Passage in Senate Public Safety 4/29/14
Gaming/Alcohol	
Discounts/Coupons. AB 1928 (Bocanegra; D-Pacoima) Reduces fraud by limiting certain instant coupons offered by a beer manufacturer or beer and wine wholesaler. Support.	To Governor
Health	
Unnecessary New Regulatory Scheme. SB 747 (DeSaulnier; D-Concord) Establishes an unworkable, costly, duplicative, and burdensome new program by allowing the Department of Public Health to request information from selected manufacturers of consumer products the Department determines contribute to a significant public health epidemic (i.e., obesity, diabetes, cancer, heart disease), and allows the Department to impose a fee of up to \$20,000 per manufacturer to cover its costs. Job killer status removed due to January 6, 2014 amendments, but CalChamber remains opposed. Oppose/ Former 2013 Job Killer .	Held in Senate Appropriations 1/23/14; Failed Deadline
Publicly Shames Employers. AB 1792 (Gomez; D-Los Angeles) Unfairly exposes private-sector employers with more than 25 employees who are beneficiaries of Medi-Cal, CalWORKS, or CalFresh to liability, public protests and media attacks by creating a public list of those employers and the cost to the state of the benefits being provided to their workers. Oppose.	Senate Appropriations Hearing 8/4/14

Subject—CalChamber Position	Status
New Health Care Costs. AB 1771 (V. M. Pérez; D-Coachella) Increases the cost of health care for employers and enrollees by imposing a new mandate on health plans, requiring that they reimburse phone communications between doctors and their patients. Oppose.	Senate Appropriations Hearing 8/4/14
Increases Health Care Premiums. AB 1917 (Gordon; D-Menlo Park) Increases health care premiums for individuals and employers, and forces plans to increase cost-sharing for other health care products and services, by capping what health care enrollees can be charged for prescription drugs each month to 1/12th of the annual out-of-pocket maximum for individuals. Oppose.	Senate Appropriations Hearing 8/4/14
Interference with Health Care Contracts. AB 2400 (Ridley-Thomas; D-Los Angeles) Increases leverage for providers in contract negotiations with health plans and insurers, allowing them to demand higher reimbursement rates and/or refuse to participate in some product lines, driving up health care costs for employers and creating unstable networks for their employees. Oppose.	Senate Health 6/11/14; Failed Deadline
Undermines Managed Care. AB 2533 (Ammiano; D-San Francisco) Significantly increases health care costs and makes premiums less affordable for employers by requiring health care service plans, in some cases, to arrange out-of-network care with noncontracting providers regardless of their rates. Oppose.	Senate Appropriations Hearing 8/4/14
Health Care Mandate. SB 1053 (Mitchell; D-Los Angeles) Drives health care premiums up by requiring health plans to cover all U.S. Food and Drug Administration-approved female contraceptive drugs, devices and procedures, without a co-pay, and limits the ability of health plans to use medical management strategies to control costs. Oppose.	Assembly Appropriations 7/2/14
Small Employer Coverage. SB 1446 (DeSaulnier; D-Concord) Helps small employers control their health care costs by allowing them to extend their pre-ACA health care policies through December 31, 2015. Support.	To Governor
Health Care Clarification for Employers. SB 1034 (Monning; D-Carmel) Eliminates confusion for employers by deleting certain provisions of California law related to waiting period limitations for health care coverage and clarifying that employer-imposed waiting periods are governed by federal law. Support.	Senate concurrence in Assembly amendments pending 6/30/14
Hospital Mandate. AB 1952 (Pan; D-Sacramento) Reduces resources that hospitals can use for partnerships with community-based health organizations by mandating that all hospitals provide charity care equal in value to 5% of each hospital's net patient revenue and imposing a severe penalty on those hospitals that do not fulfill their mandate. Oppose.	Assembly Appropriations Suspense File 4/30/14; Failed Deadline
Better Transparency in Health Care. SB 1322 (Hernandez; D-West Covina) Helps improve the effectiveness and cost of California's health care system by requiring that the Health and Human Services Agency contract with an independent, nonprofit organization to create a database with information about utilization and pricing information from health plans and insurers' medical, dental and pharmacy claims. Support.	Assembly Appropriations 6/30/14
Dental Coverage. AB 1962 (Skinner; D-Berkeley) Inappropriately assumes the outcome of the examination of dental plan premiums it requires, which could lead to unnecessary and detrimental regulation of the most affordable plans. Oppose Unless Amended.	Senate Appropriations Hearing 8/4/14
Health Care Expenses Tax Deductions. AB 2576 (Harkey; R-Dana Point) Encourages job growth by freeing small businesses to invest in business growth instead of spending limited resources on health care expenses, by entitling individuals, including the self-employed, to a state tax deduction for contributions to a Health Savings Account (HSA) in conformity with federal tax law. Support.	Assembly Appropriations Suspense File 5/21/14; Held under submission
Health Care Expenses Tax Deductions. SB 1035 (Huff; R-Diamond Bar) Encourages job growth by freeing small businesses to invest in business growth instead of spending limited resources on health care expenses, by entitling individuals, including the self-employed, to a state tax deduction for contributions to a Health Savings Account (HSA) in conformity with federal tax law. Support.	Senate Governance and Finance 4/10/14

Subject—CalChamber Position	Status
Unnecessary Oversight of Health Plans. SB 1182 (Leno; D-San Francisco) Imposes unnecessary new administrative burdens on health plans and insurers by requiring them to file rate information about proposed large group rate increases exceeding 5% with their departments 60 days prior to any rate increase, and to annually disclose aggregate data about all large group rate filings and make that information available to certain purchasers for free upon request. Oppose.	Assembly Appropriations 6/30/14
Increased Health Insurance Premiums. SB 780 (Jackson; D-Santa Barbara) Increases costs for health plans which will be passed on to employers in the form of higher premiums and drive affordable preferred provider organization (PPO) products out of the market by imposing new reporting and disclosure requirements not appropriate to PPO products. Oppose.	Assembly Appropriations 6/30/14
Increases Health Insurance Premiums. AB 503 (Wieckowski; D-Fremont) Increases costs and limits the ability of California's nonprofit hospitals to invest in community prevention efforts that meet the needs of the local community by creating an unnecessary new definition of charity care and mandating a rigid process for developing a community needs assessment and community benefit plans. Oppose.	Senate Appropriations Hearing 8/4/14
Housing and Land Use	
Increases Litigation for Ellis Act Proceedings. AB 2405 (Ammiano; D-San Francisco) Substantially increases litigation and makes it extraordinarily difficult for property owners to exit the rental market by requiring a full civil trial when a property owner wants to exit the rental market through the Ellis Act. Oppose.	Failed Passage in Assembly Judiciary 4/29/14
Restricts Property Owners from Exiting the Rental Business. SB 1439 (Leno; D-San Francisco) Potentially forces property owners into bankruptcy, prevents families from moving into their own apartment complexes, and makes it extraordinarily difficult for property owners to exit the rental market by authorizing the County of San Francisco to prohibit an owner of a residential rental building from exiting the rental business under the Ellis Act until it has owned the building for five years or longer. Oppose.	Failed Passage in Assembly Judiciary 6/18/14; Reconsideration Granted
Creates Significant New Costs to Businesses. AB 2644 (Nazarian; D-Sherman Oaks) Imposes new financial burdens on businesses of all sizes and further complicates code compliance issues by requiring that food facilities and other privately owned facilities install waste receptacles in every restroom stall. Oppose.	Assembly Appropriations Suspense File 5/23/14; Failed Deadline
Creates Significant New Costs to Businesses. SB 1042 (Calderon; D-Montebello) Imposes new financial burdens on businesses of all sizes and further complicates code compliance issues by requiring all food facilities to install a baby changing table within or adjacent to all restrooms located within the facility. Oppose.	Senate Rules 3/17/14; Failed Deadline
Immigration	
Provides Employer Certainty. AB 1660 (Alejo; D-Salinas) Clarifies that employers do not violate California law regarding discrimination against employees with driver licenses that note they are not documented citizens, if an employer must take action in compliance with federal immigration law. Support.	Senate Floor 6/12/14
Industrial Safety and Health	
Increased Costs for Citation Appeal Process. AB 1634 (Skinner; D-Berkeley) Proposes a costly double-appeal process that presumes guilt for employers, undermines due process with regards to citations for workplace safety violations, and is unnecessary in light of recently adopted regulations for an expedited appeals process for these situations. Oppose.	Senate Appropriations Suspense File 6/23/14

Subject—CalChamber Position	Status
Unjustified Disclosure of Customer Information. SB 193 (Monning; D-Carmel) Increases administrative burdens on business and jeopardizes confidentiality of sensitive customer information by allowing Cal/OSHA and its sister agency Hazard Evaluation System and Information Service to obtain customer lists of certain chemicals from manufacturers, formulators, suppliers and distributors. Oppose Unless Amended.	Assembly Appropriations 6/26/14
Email Reporting. AB 326 (Morrell; R-Rancho Cucamonga) Facilitates ease of compliance for employers by allowing email or telephone reporting when a work-related hospitalization or fatality has occurred that is subject to immediate reporting to Cal/OSHA. Support.	To Governor
International Relations/Trade	
Terrorism Risk Insurance (TRIA) Extension. AJR 34 (Cooley; D-Rancho Cordova) Urges Congress to extend the Terrorism Risk Insurance Program for U. S. economic stability and continuity following a terrorist attack. Support.	Resolution Chapter 28
Enables U.S. Exports. AJR 37 (Muratsuchi; D-Torrance) Urges Congressional reauthorization of the Export-Import (Ex-Im) Bank, thereby enabling U.S. companies — large and small — to turn export opportunities into real sales that help to maintain and create U.S. jobs and contribute to a stronger national economy. Support.	Resolution Chapter 72
* Export-Import Bank. Reauthorizes Ex-Im Bank funding, which expires September 30, 2014. Ex-Im is the official U.S. export credit agency and assists in financing the export of U.S. goods and services to international markets. Support.	Pending in Congress
Labor and Employment	
Unproven Wage Liens. AB 2416 (Stone; D-Scotts Valley) Creates a dangerous and unfair precedent in the wage and hour arena by allowing employees to file liens on an employer's real or personal property, or property where work was performed, based upon alleged yet unproven wage claims. Oppose/ Job Killer.	Senate Appropriations Hearing 8/4/14
Contractor Liability. AB 1897 (R. Hernández; D-West Covina) Unfairly imposes liability on a contracting entity for the contractor's wage and hour violations and lack of workers' compensation coverage despite the lack of any evidence that the contracting entity controlled the working conditions or wages of the contractor's employees. Oppose/ Job Killer.	Senate Appropriations Hearing 8/4/14
Paid Sick Leave. AB 1522 (Gonzalez; D-San Diego) Increases employer mandates by requiring all employers, large and small, to provide all employees in California with paid sick leave, and threatens employers with statutory penalties and litigation under the Private Attorney General Act (PAGA) for alleged violations. Oppose Unless Amended / Job Killer.	Senate Appropriations Hearing 8/4/14
Minimum Wage. SB 935 (Leno; D-San Francisco) Unfairly increases employer costs by increasing the minimum wage to \$13 by 2017 and then increased thereafter according to the Consumer Price Index. Oppose/ Job Killer.	Failed Passage in Assembly Labor and Employment 6/25/14; Reconsideration Granted
Unproven Wage Liens. AB 1164 (Lowenthal; D-Long Beach) Creates a dangerous and unfair precedent in the wage and hour arena by allowing employees to file liens on an employer's real or personal property, or property where work was performed, based upon alleged yet unproven wage claims. Oppose/ 2013 Job Killer.	Assembly Inactive File 1/30/14; Failed Deadline

Subject—CalChamber Position	Status
Expansion of Discrimination Litigation. SB 404 (Jackson; D-Santa Barbara) Makes it virtually impossible for employers to manage their employees and exposes them to a higher risk of litigation by expanding the Fair Employment and Housing Act to include a protected classification for any person who is, perceived to be, or associated with an individual who provides medical or supervisory care to a listed family member. Oppose/ Job Killer .	Placed on Assembly Appropriations Suspense File 8/30/13
Bad Faith Litigation. AB 2095 (Wagner; R-Irvine) Seeks to limit frivolous litigation regarding itemized wage statements for alleged technical violations, that have not injured the employee, by awarding attorneys fees to an employer who can prove the litigation was filed in bad faith. Sponsor / Co-Sponsor/ Job Creator .	Failed Passage in Assembly Judiciary 5/6/14
Flexible Workweek Schedules. AB 2448 (Jones; R-Santee) Allows an employer and employee to voluntarily agree to individual flexible work schedules, that accommodate both the needs of the employee and reduce overtime costs for employers. Support/ Job Creator .	Failed Passage in Assembly Labor and Employment 4/23/14
Reduces Frivolous Litigation. AB 2079 (Grove; R-Bakersfield) Seeks to limit frivolous litigation against employers regarding unintentional errors on wage statements, by allowing an employer 33 days to cure any violation before a civil action is filed. Support/ Job Creator .	Failed Passage in Assembly Labor and Employment 4/23/14
Good Faith Reliance. AB 2688 (Brown; D-San Bernardino) Before proposed committee amendments, created certainty for employers that they can rely upon and follow the advice received from the Division of Labor Standards Enforcement regarding how to comply with labor and employment law. No Position/ Former Job Creator .	Assembly Labor and Employment 4/29/14; Failed Deadline
Labor Commissioner Investigation. AB 1723 (Nazarian; D-Sherman Oaks) Expands the authority of the Labor Commissioner to issue waiting time penalties during the citation process instead of just the administrative hearing, without setting forth the basis of the penalty in citation. Oppose Unless Amended	Senate Appropriations Hearing 8/4/14
Employee Personal Information. AB 2751 (R. Hernández; D-West Covina) Clarifies that existing protections for employees that update their personal information applies only to information regarding federal work authorization documents. Support.	Chapter 79
Paid Leave of Absence. AB 2030 (Campos; D-San Jose) Increases employer costs by turning the current school activities leave of absence into a paid leave of absence. Oppose.	Assembly Labor and Employment 3/3/14; Failed Deadline
Settlement Agreements. SB 1407 (Jackson; D-Santa Barbara) Before amendments, significantly interfered with negotiated settlement agreements under the Fair Employment and Housing Act by creating a lack of certainty regarding the finality of such agreements. Opposition removed due to May 27, 2014 amendments. No Position.	Assembly Floor 6/25/14
Employer Mandates. AB 1650 (Jones-Sawyer; D-South Los Angeles) Before amendments, unfairly prohibited a state contractor from inquiring into an applicant's criminal history. Opposition removed due to April 1, 2014 amendments. No Position.	Senate Appropriations Hearing 8/4/14
Hiring Mandate. AB 1586 (Holden; D-Pasadena) Before amendments, unfairly mandated state contractors to hire applicants who have been previously convicted of a crime, are a veteran, recipient of unemployment benefits, or recipient of CalWorks, thereby subjecting such contractors to potential discrimination and negligent hiring/retention litigation. Opposition removed due to May 7, 2014 amendments. No Position.	Senate Suspense File 6/30/14
Legal Reform and Protection	
Unwarranted Expansion of Product Defect Litigation. SB 1188 (Jackson; D-Santa Barbara) Significantly increases product defect litigation and associated claims by allowing consumers to pursue claims after the warranty has expired for "material" omissions regarding the product that are unrelated to any health and safety concerns. Oppose/ Job Killer .	Assembly Judiciary 6/5/14; Failed Deadline

Subject—CalChamber Position	Status
Interference with Arbitration Agreements and Settlement Agreements. AB 2617 (Weber; D-San Diego) Unfairly prohibits the enforcement of arbitration agreements or pre-litigation settlement agreements that require the individual to waive their right to pursue a civil action for the alleged violation of civil rights. Oppose/ Job Killer .	Senate Floor 7/3/14
Safety Recalls. SB 686 (Jackson; D-Santa Barbara) Exposes car dealers to significant liability and precludes them from selling a car despite the lack of actual knowledge that the car was subject to a recall, that may or may not pose any imminent harm to the consumer or renter. Oppose/ Job Killer .	Failed Passage in Assembly Business, Professions and Consumer Protection 6/17/14; Reconsideration Granted
Residential Care Facilities. AB 2171 (Wieckowski; D-Fremont) Increases the threat of frivolous litigation, attorneys fees and damages regarding the technical violation of new expansive rights for residents that are unrelated to the health or safety of the resident. Oppose.	Senate Appropriations Hearing 8/4/14
Unnecessary Restrictions on Trial Courts. AB 2332 (Wieckowski; D-Fremont) Unfairly limits the trial courts' ability to minimize costs in light of the budget reductions they have faced by placing severe restrictions on their ability to contract for services. Oppose Unless Amended.	Senate Appropriations Hearing 8/4/14
Court Interpreters. AB 1657 (Gomez; D-Los Angeles) Provides access to the judicial branch to all litigants by giving the court discretion to have a court interpreter, at no cost to the parties involved, regardless of their income. Support.	Senate Appropriations Hearing 8/4/14
Appellate Decisions. AB 1932 (Jones; R-Santee) Provides greater clarity and confidence to litigants by requiring a judgment from the Court of Appeal to include a brief statement of the reasons for the judgment. Support.	Chapter 58
Bad Faith Litigation. AB 2494 (Cooley; D-Rancho Cordova) Deters costly and unnecessary legal behaviors by re-enacting a prior statute that authorizes the award of attorneys fees for bad faith actions that are frivolous and solely intended to cause unnecessary delay. Support.	Senate Appropriations Hearing 8/4/14
Judge Increases. SB 1190 (Jackson; D-Santa Barbara) Increases the number of judges for the Fourth Appellate District in San Bernardino/Riverside to nine judges. Support.	Held in Senate Appropriations Suspense File 5/13/14
Department of Consumer Affairs. AB 2165 (Patterson; R-Fresno) Expedites the approval process for individuals seeking to engage in professional vocations by requiring each Board within the Department to review and complete all license applications within 45 days after it was filed and to issue a license within 45 days after determining the applicant has successfully satisfied the licensure requirements. Support.	Assembly Business, Professions and Consumer Protection 4/21/14; Failed Deadline
Burden on Arbitration Providers. AB 802 (Wieckowski; D-Fremont) Before amendments, imposed burdensome data collection requirements, some of which are confidential, on arbitration providers and subjected them to private litigation for failure to accurately report such data, which will ultimately discourage such providers from offering arbitration as an alternative dispute resolution in California. Opposition removed due to January 27, 2014 amendments. No Position.	Senate Floor 6/26/14
Unfair Restrictions on State-Funded Research. AB 609 (Nestande; R-Palm Desert) Before amendments, interfered with publishers' ability to regain costs for value-added research if such research is funded in any way through state grants. Opposition removed due to June 11, 2014 amendments. No Position.	Senate Appropriations Hearing 8/4/14
Other/Miscellaneous	
Labeling. SB 1000 (Monning; D-Carmel) Imposes an economic burden on some beverage manufacturers and food outlets by requiring specific state-only labels on some sweetened beverages. Oppose.	Failed Passage in Assembly Health 6/17/14; Reconsideration Granted

Subject—CalChamber Position	Status
Inspection Fees. AB 2589 (Bloom; D-Santa Monica) Increases business costs and requirements by allowing counties to impose annual registration fees to ensure products contain the proper quantity. Oppose.	Assembly Inactive File 5/28/14; Failed Deadline
Privacy and Confidentiality	
Credit Verification. SB 383 (Jackson; D-Santa Barbara) Interferes with fraud efforts by restricting Internet retailers of downloadable products from obtaining necessary credit card information. Oppose.	Assembly Judiciary 6/15/14; Failed Deadline
Breach Notices. AB 1710 (Dickinson; D-Sacramento) Imposes additional, onerous, confusing and unworkable notice requirements on the business community, while excluding government entities from the same provisions, resulting in customers receiving duplicative notices for the same breach and potentially damaging business's reputation. Oppose.	Senate Floor 7/1/14
Chip Cards. SB 1351 (Hill; D-San Mateo) Burdens credit/debit card systems by forcing microchip technology that they are not technologically prepared to comply with and jeopardizes consumer security by locking in statute a technology that could be obsolete in a very short timeframe. Oppose.	Senate Inactive File 6/2/14
Chills Critical Information Sharing. SB 1348 (DeSaulnier; D-Concord) Limits critical information sharing and encourages extensive litigation by creating technologically infeasible requirements for online businesses. Oppose.	Held in Assembly Arts, Entertainment, Sports, Tourism and Internet Media 6/26/14; Failed Deadline
Imposes Unnecessary Costs on Businesses. AB 242 (Chau; D-Monterey Park) Invites frivolous litigation and increases costs to business by requiring every business to revamp its privacy policy and hire experts to ensure that it is written at an 8th grade reading level. Oppose.	Assembly Judiciary 1/7/14; Failed Deadline
Procurement	
Prohibits Outsourcing. HR 29 (Gomez; D-Los Angeles) Seeks to severely limit options for government agencies to determine the most appropriate solution to providing efficient and effective public service. Oppose.	Adopted 4/3/14
Competitive Disadvantage. AB 1578 (Pan; D-Sacramento) Before amendments, placed onerous reporting requirements of sensitive information on private companies, placing them at risk of financial and competitive damage without clear public benefit. Furthermore, information about state contracts and state audits can be found on a state website as public record, making this bill unnecessary. Opposition removed due to May 27, 2014 amendments. No Position.	Senate Appropriations Hearing 8/4/14
Recycling	
Cigarette Filter Ban. AB 1504 (Stone; D-Scotts Valley) Increases cost to manufacturers and puts California at a disadvantage by banning single use single-use filtered cigarettes in the state. Oppose.	Failed Passage in Assembly Governmental Organization 5/7/14
E-Waste Definition Clarification. AB 2666 (Daly; D-Anaheim) Protects California retailers and vendors that are subject to the state's e-waste charge from liabilities and penalties resulting from the federal government's refusal to pay the charge. Support.	Held in Assembly Appropriations Suspense File 5/23/14; Failed Deadline
Pharmaceutical Waste. SB 1014 (Jackson, D-Santa Barbara) Before amendments would have created a costly pharmaceutical statewide product stewardship program. Now authorizes CalRecycle to create a voluntary pharmaceutical drug take back program. No Position.	Assembly Appropriations 6/30/14

Subject—CalChamber Position	Status
Regulatory Reform	
Regulatory Reform. AB 2723 (Medina; D-Riverside) Takes an important step to encourage a more favorable regulatory climate for small businesses by requiring state agencies to consider the effect of major regulations on small businesses and sole proprietorships. Support.	Senate Appropriations Hearing 8/4/14
Regulatory Reform. SB 981 (Huff; R-Diamond Bar) Takes an important step to encourage a more favorable regulatory climate for California businesses by requiring agencies to regularly review regulations and to report to the Legislature about the relevance, direct cost, and need for updating of each regulation in order to become less burdensome or more effective. Support.	Failed Passage in Senate Governmental Organization 4/22/14; Reconsideration Granted; Failed Deadline
Regulatory Notice Posting. SB 1091 (Galgiani; D-Stockton) Simplifies the state's regulatory notice procedures, thereby encouraging citizen participation by providing a central repository of information to state agencies' pre-rulemaking notice process when developing regulations. Support.	Held in Senate Appropriations Suspense File 5/23/14; Failed Deadline
Taxation	
Split Roll. SB 1021 (Wolk; D-Davis) Discriminates against commercial property through split roll by allowing a school district to impose a higher parcel tax against commercial property as opposed to residential property. Oppose/ Job Killer.	Failed Passage in Assembly Revenue and Taxation 6/25/14
Oil and Gas Severance Tax. SB 1017 (Evans; D-Santa Rosa) Unfairly targets the oil and gas industry with the burden of a severance tax on the extraction of oil and gas in order to fund higher education, health and human services, as well as the state parks and recreation. Oppose/ Job Killer.	Senate Appropriations Suspense File 5/23/14; Held under submission
Increased Tax Rate. SB 1372 (DeSaulnier; D-Concord) Threatens to significantly increase the corporate tax rate on publicly held corporations and financial institutions up to 15% according to the wages paid to employees in the United States, and threatens to increase that rate by 50% thereafter, if the corporation or institution reduces its workforce in the United States and simultaneously increases its contractors. Oppose/ Job Killer.	Failed Passage in Senate 5/28/14; Reconsideration Granted
Split Roll Change of Ownership. AB 2372 (Ammiano; D-San Francisco) Before amendments, unfairly targeted commercial property by redefining "change of ownership" so that such property is more frequently reassessed, which will ultimately lead to higher property taxes that will be passed on to tenants, consumers and potentially employees. With May 19, 2014 amendments, now provides clarity regarding change of ownership of commercial property for purposes of reassessment in accordance with Proposition 13. Job killer status and opposition removed due to May 19, 2014 amendments. CalChamber now Supports. Support/ Former Job Killer.	Senate Appropriations 7/2/14
Lowers Vote Requirement for Tax Increases. ACA 8 (Blumenfield; D-San Fernando Valley) Adds complexity and uncertainty to the current tax structure and pressure to increase taxes on commercial, industrial and residential property owners to finance local public safety, transportation, water and recreation infrastructure by lowering the vote threshold for bonded debt supported by property taxes from two-thirds to 55%. Oppose/ Job Killer.	Senate Governance and Finance 6/27/14
Lowers Vote Requirement for Tax Increases. SCA 9 (Corbett; D-San Leandro) Adds complexity and uncertainty to the current tax structure and pressure to increase taxes on commercial, industrial and residential property owners by giving local governments new authority to enact special taxes, including parcel taxes, by lowering the vote threshold from two-thirds to 55%. Oppose/ Job Killer.	Senate Appropriations 6/27/13
Lowers Vote Requirement for Tax Increases. SCA 8 (Corbett; D-San Leandro) Adds complexity and uncertainty to the current tax structure and pressure to increase taxes on commercial, industrial and residential property owners by giving local governments new authority to enact special taxes, including parcel taxes, by lowering the vote threshold from two-thirds to 55%. Oppose/ Job Killer.	Senate Appropriations 8/29/13

Subject—CalChamber Position	Status
Lowers Vote Requirement for Tax Increases. SCA 7 (Wolk; D-Davis) Adds complexity and uncertainty to the current tax structure and pressure to increase taxes on commercial, industrial and residential property owners by giving local governments new authority to enact special taxes, including parcel taxes, by lowering the vote threshold from two-thirds to 55%. Oppose/ Job Killer .	Senate Appropriations 6/27/13
Lowers Vote Requirement for Tax Increases. SCA 4 (Liu; D-La Cañada Flintridge) Adds complexity and uncertainty to the current tax structure and pressure to increase taxes on commercial, industrial and residential property owners by giving local governments new authority to enact special taxes, including parcel taxes, by lowering the vote threshold from two-thirds to 55%. Oppose/ Job Killer .	Senate Appropriations 8/29/13
Lowers Vote Requirement for Tax Increases. ACA 3 (Campos; D-San Jose) Adds complexity and uncertainty to the current tax structure and pressure to increase taxes on commercial, industrial and residential property owners by giving local governments new authority to enact special taxes, including parcel taxes, by lowering the vote threshold from two-thirds to 55%. Oppose/ Job Killer .	Assembly Local Government 4/4/13
Lowers Vote Requirement for Tax Increases. SCA 11 (Hancock; D-Berkeley) Adds complexity and uncertainty to the current tax structure and pressure to increase taxes on commercial, industrial and residential property owners by giving local governments new authority to enact special taxes, including parcel taxes, by lowering the vote threshold from two-thirds to 55%. Oppose/ Job Killer .	Senate Appropriations 6/27/13
Creates Competitive Tax Environment. AB 1839 (Gatto; D-Los Angeles) Encourages film and television productions to locate or remain in California by extending and expanding the film and television tax credit. Support/ Job Creator .	Senate Appropriations 7/2/14
Targeted Tax. SB 622 (Monning; D-Carmel) Threatens jobs in beverage, retail and restaurant industries by arbitrarily and unfairly targeting certain beverages for a new tax in order to fund children's health programs. Oppose/ 2013 Job Killer .	Held in Senate Appropriations Suspense File 1/23/14; Failed Deadline
Creates a Competitive Tax Environment. AB 777 (Muratsuchi; D-Torrance) Ensures that California remains a competitive environment for an emerging multi-billion dollar industry by updating the California tax code to include certain equipment used for spaceflight transportation within the business inventory exemption. Support/ Job Creator .	Chapter 13
Creates a More Competitive Tax Environment. AB 2389 (Fox; D-Palmdale) Encourages new aerospace projects to locate in California by creating a targeted tax incentive tied to the creation of new aerospace manufacturing jobs in the state. Support/ Job Creator .	To Governor
Documentary Transfer Tax. AB 561 (Ting; D-San Francisco) Significantly expands the imposition of the documentary transfer tax to the transfer of property upon the termination of a partnership as well as expanding the definition of "realty sold" to include any change of ownership in a legal entity, despite the fact that no real property has been transferred. Oppose.	Assembly Revenue and Taxation 1/7/14; Failed Deadline
Creates a Competitive Tax Environment. SB 998 (Knight; R-Palmdale) Encourages the aerospace industry to locate and expand projects in the state by increasing the cap on the sales and use tax exemption for manufacturing equipment used in new aerospace projects. Support/ Job Creator .	Senate Appropriations Suspense File 6/23/14
Simplifies Research Tax Credit. AB 2330 (Mullin; D-South San Francisco) Simplifies the research tax credit by eliminating outdated and complicated calculation methods and harmonizing the state research credit with the federal research credit. Support.	Assembly Appropriations Suspense File 5/21/14
Federal Tax Law Conformity. AB 1984 (Harkey; R-Dana Point) Reduces administrative burden and complexity for taxpayers by conforming state and federal tax law relating to net operating loss carrybacks. Support.	Held in Assembly Appropriations Suspense File 5/23/14; Failed Deadline
Minimum Franchise Tax. AB 1645 (Alejo; D-Salinas) Encourages economic growth by eliminating the minimum franchise tax for the first two years of companies who incorporate or do business in California. Support/ Job Creator .	Assembly Appropriations Suspense File 5/21/14

Subject—CalChamber Position	Status
Minimum Franchise Tax. AB 2495 (Melendez; R-Lake Elsinore) Encourages economic growth by exempting “qualified businesses” from the minimum franchise tax for the first five years. Support/ Job Creator.	Assembly Revenue and Taxation 5/14/14; Held under submission
Minimum Franchise Tax. AB 1769 (Dababneh; D-Encino) Encourages economic growth by exempting newly formed limited liability companies that reasonably estimate they will make \$5,000 or less in gross receipts from the \$800 minimum franchise tax for the first two years of business. Support.	Assembly Revenue and Taxation 2/27/14; Failed Deadline
Minimum Franchise Tax. AB 1889 (Hagman; R-Chino Hills) Encourages economic growth by reducing the minimum franchise tax from \$800 to \$400 for limited liability companies, limited liability partnerships, corporations, that reasonably estimate \$5,000 or less in gross receipts for first taxable year only. Support.	Assembly Revenue and Taxation 5/14/14; Held under submission
Minimum Franchise Tax. AB 2244 (Chau; D-Monterey Park) Encourages economic growth by reducing the minimum franchise tax to \$200 for dormant businesses up to five years, and to \$50 for inactive business, other than LLC or LLP, that does not reasonably believe it will be doing business in the state. Support.	Assembly Revenue and Taxation 5/21/14; Held under submission
Tax Abatement. AB 1777 (Quirk-Silva; D-Fullerton) Bolsters voluntary compliance and does not penalize historically compliant taxpayers by allowing a taxpayer to request abatement of a timeliness penalty if the taxpayer meets certain conditions. Support.	Assembly Revenue and Taxation 5/14/14; Held under submission
Enterprise Zone Tax Credits. AB 2517 (Daly; D-Anaheim) Ensures employers who hired disadvantaged individuals prior to the elimination of the enterprise zone program are able to claim earned tax credits. Support.	Senate Governance and Finance 5/28/14
Tax Administration. AB 2429 (Patterson; R-Fresno) Creates fairness in the tax system by imposing the same rate of interest for overpayments to the state as underpayments to the state. Support.	Held in Assembly Revenue and Taxation Suspense File 4/28/14; Failed Deadline
Joint Powers Authority. AB 2170 (Mullin; D-South San Francisco) Unnecessarily authorizes a joint powers authority to impose taxes and levies. Oppose.	Senate Floor 6/17/14
Local Tax Refund. AB 59 (Bonta; D-Alameda) Denies valid claims against local entities by banning all class actions for the refund of improperly assessed local taxes, rather than reform class action procedures so that it is a fair and efficient mechanism for pursuing meritorious claims that impact a broad range of residents. Oppose Unless Amended.	Assembly Local Government 1/6/14; Failed Deadline
Managed Audit Program. AB 2009 (Weber; D-San Diego) Promotes compliance with the tax law by expanding the existing sales and use tax managed audit program, to the other tax areas under the Board of Equalization (BOE), thereby creating voluntary managed audit programs that allow the BOE to audit the taxpayer’s accounts for a specified period, and reduce the interest on any unpaid liability to one-half of the existing rate. Support.	To Governor
Registration Requirement. AB 2415 (Ting; D-San Francisco) Unnecessarily requires professionals that advocate on behalf of their clients regarding tax-related matters before a county assessor to register with the Secretary of State and pay a fee, even though such professionals are already registered and regulated by other state agencies. Oppose Unless Amended.	Senate Appropriations 6/25/14
Illegally Levied Taxes. AB 2510 (Wagner; R-Irvine) Adds fairness to the tax system by allowing a taxpayer to seek a refund of taxes, including interest, of taxes that a court has deemed as illegal. Support.	Held in Assembly Revenue and Taxation Suspense File 4/28/14; Failed Deadline
Illegally Levied Taxes. SB 1327 (Knight; R-Palmdale) Adds fairness to the tax system by allowing a taxpayer to seek a refund of taxes, including interest, of taxes that a court has deemed as illegal. Support.	Failed Passage in Senate Governance and Finance 4/24/14; Reconsideration Granted; Failed Deadline

Subject—CalChamber Position	Status
Tax Relief for Disasters and Emergencies. SB 560 (Anderson; R-Alpine) Incentivizes out-of-state businesses and employees to assist California during a declared state of emergency or disaster by temporarily exempting them from the sales and use tax and personal income tax. Support.	Held in Senate Appropriations Suspense File 1/23/14; Failed Deadline
Creates Transparency. AB 2109 (Daly; D-Anaheim) Creates transparency regarding the manner in which parcel taxes are assessed, including the rates and the revenue received. Support.	Senate Appropriations 6/18/14
Reduction of Minimum Franchise Tax. SB 641 (Anderson; R-Alpine) Encourages economic growth by eliminating the minimum franchise tax for the first four years of any new corporation that has gross receipts of \$10,000 or less. Support.	Held in Senate Appropriations Suspense File 1/23/14; Failed Deadline
Tax Abatement. AB 2065 (Melendez; R-Lake Elsinore) Before amendments, allowed a taxpayer to request abatement of a timeliness penalty if the taxpayer meets certain conditions. Support removed due to April 8, 2014 amendments. No Position.	Senate Appropriations 7/2/14
Telecommunications	
Kill Switches. SB 962 (Leno; D-San Francisco) Stifles innovation of new technologies by requiring specific kill switches embedded in smart phones at the point of sale rather than allowing consumer selection from a variety of technologies on the market. Oppose.	Assembly Floor 7/2/14
Tourism	
Harms Economy. AB 2140 (Bloom; D-Santa Monica) Eliminates jobs and chills tourism in the San Diego region by eliminating performances of Orca at SeaWorld San Diego. Oppose/ Job Killer.	Assembly Rules 4/9/14; Failed Deadline
Ski Resorts Liability. SB 564 (Monning; D-Carmel) Exposes California ski resorts to increased liability by imposing burdensome and unnecessary new reporting requirements regarding accidents. Oppose.	Assembly Appropriations Suspense File 7/2/14
Transportation	
Enhanced Driver License. SB 1213 (Hueso; D-Logan Heights) Encourages international trade and tourism by authorizing the Department of Motor Vehicles to issue enhanced driver licenses to U.S. citizens to expedite legal traffic at the border. Support/ Job Creator.	Senate Transportation and Housing 3/6/14; Failed Deadline
Unemployment Insurance	
Unemployment Insurance Tax Increase Risk. AB 1556 (Perea; D-Fresno) Prematurely adopts new statutes while rules and decisions from the federal Department of Labor regarding state requirements for waivers of looming unemployment insurance tax hikes are pending. Oppose.	Senate Floor 6/24/14
Unemployment Insurance Fraud. AB 2362 (Grove; R-Bakersfield) Closes a loophole that allows some individuals convicted of unemployment insurance benefit fraud under the Penal Code to escape forfeiture of unemployment insurance benefits. Support.	Failed Passage in Senate Labor and Industrial Relations 6/11/14
Water Supply and Quality	
Water Bond. SB 848 (Wolk; D-Davis) Stymies business long-term planning in California. Creates a water bond that has problematic policy provisions and inadequate oversight in its funding provisions. Oppose.	Senate Floor 7/3/14

Subject—CalChamber Position	Status
Water Bond. AB 2686 (Perea; D-Fresno) Promotes agricultural and business growth in California. Creates a water bond that provides sufficient funding for storage, Delta sustainability, local projects, conservation and recycling, which taken together provide for long-term stable water supply that is necessary for economic growth. Support.	Assembly Appropriations 6/30/14
Water Bond. SB 1250 (Hueso; D-Logan Heights) Promotes business and agricultural growth. Proposes a new bond that includes fund for storage that is necessary for business growth and meets the co-equal goals of water supply reliability and ecosystem restoration. Support.	Senate Natural Resources and Water 5/7/14
Regulations. AB 1739 (Dickinson; D-Sacramento) Potentially devalues land prices of commercial and agricultural properties by limiting groundwater rights on which credit worthiness is based by requiring groundwater management plans without careful and thoughtful review of all monitoring data and without clear definitions or directions. Oppose.	Senate Appropriations Hearing 8/4/14
Water Cleanup. AB 2712 (Daly; D-Anaheim) Prevents scarce resources intended for cleaning up contaminated water supplies from being wasted on needless litigation. Clean and reliable water supplies are necessary for business growth. Support.	Senate Appropriations Hearing 8/4/14
Conveyance. AB 1671 (Frazier; D-Oakley) Damages business stability and slows growth by delaying water conveyance needed to assure that a reliable water supply is available which is necessary for long-term planning and economic vitality. Oppose.	Assembly Water, Parks and Wildlife 2/20/14; Failed Deadline
Workers' Compensation	
Massive Workers' Compensation Cost Increase. SB 626 (Beall; D-San Jose) Unravels many of the employer cost-saving provisions in last year's workers' compensation reform package and results in employers paying nearly \$1 billion in benefit increases to injured workers without an expectation that the increases will be fully offset by system savings. Oppose/ 2013 Job Killer.	Senate Labor and Industrial Relations 1/8/14; Failed Deadline
Exposes Employers to Disproportionate Workers' Compensation Penalties. AB 2604 (Brown; D-San Bernardino) Dramatically increases penalties and costs for delayed payments and will result in disproportionate penalty awards that are significantly greater than the amount of the delayed payment. Oppose/ Job Killer.	Assembly Insurance 3/13/14; Failed Deadline
Expands Costly Presumptions. AB 2616 (Skinner; D-Berkeley) Increases workers' compensation costs for public and private hospitals by presuming certain diseases and injuries are caused by the workplace. Oppose.	Senate Appropriations Hearing 8/4/14
Assists Victims of Underground Economy. AB 1746 (Alejo; D-Salinas) Expedites hearings for injured employees of illegally uninsured employers to quickly resolve issues and ensure the injured employees receive access to appropriate benefits and care. Support.	To Governor
Pain Management Guidelines. SB 500 (Lieu; D-Torrance) If amended, ensures collaboration between the Medical Board of California and the Division of Workers' Compensation's Medical Director when revising the pain management guidelines. Support If Amended.	Senate Inactive File 6/26/14

Annual Visit Highlights Benefits of Japan-California Trade Partnership



From left are Hitoshi Yamamuro, president, Japanese Chamber of Commerce of Northern California; Susanne Stirling, CalChamber vice president, international affairs; Allan Zaremborg, CalChamber president and CEO; and Hideo Miyake, president, Japan Business Association of Southern California.

An annual meeting between the California Chamber of Commerce and Japan business leaders highlighted the state's continuing interdependence with one of its largest export partners.

Leading the Japanese business delegation were Hitoshi Yamamuro, president of the Japanese Chamber of Commerce of Northern California (JCCNC), and Hideo Miyake, president of the Japan Business Association of Southern California (JBA).

Representing the CalChamber at the luncheon were Allan Zaremborg, president and CEO, and Susanne Stirling, vice president, international affairs.

California Attractions

California remains "the most preferred place in the nation for Japanese investors to conduct business even under tough economic conditions," states a report prepared by JCCNC and JBA in conjunction with their annual summer visit to the state's capital.

The state's "unwavering attitude toward open investment and support for free trade" are significant assets to investors, in addition to California's natural beauty, comfortable climate, educational and technological excellence, and rich and diverse cultures, the report notes.

Notable Statistics

California exports to Japan totaled \$12.7 billion in 2013, according to the

U.S. Department of Commerce, making it the state's fourth largest export partner. Computers and electronic products accounted for nearly 23% of total exports.

According to the JCCNC/JBA report:

- As of the end of 2013, there were 1,392 Japanese-affiliated companies operating in California. The top three industry categories were services, manufacturing and wholesale/retail.

- Japan firms have more than 137,669 employees in California, nearly 96% of whom are hired locally.

- The average salary for employees in Japanese firms is \$85,000, which totals \$11 billion in annual payroll.

Challenges

The sustainability of California's economic recovery remains a significant concern for Japanese investors, according to the JCCNC/JBA report. The economic

downturn was cited as a business challenge by 74.1% of those responding to an annual survey, far more than the next two concerns, the exchange rate (45%) and increasing labor costs (44.1%).

Labor costs were cited by 69.9% of those surveyed as an area in which state government can help, followed by taxes (44.5%), permit approval procedures (19.1%), export/import procedures (18.9%), environmental regulations (14%) and transportation infrastructure (13.5%).

The JCCNC, www.jccnc.org, was established as a nonprofit corporation in 1951 to promote business, mutual understanding and good will between Japan and the United States.

JBA, www.jba.org, founded in 1961, is a nonprofit organization consisting of nearly 450 Japanese corporations doing business across Southern California.

Staff Contact: Susanne Stirling



New State Sales Tax Exemption

Potential investors have a new reason to give California a careful look. Beginning July 1, manufacturers and certain research and development operations can enjoy a generous exclusion from the state sales tax for purchasing or leasing new equipment.

Enacted in 2013 as part of the deal that phased out the long-time enterprise zone program, the new incentive will give manufacturers and scientific research and development a total exclusion from the state portion of the sales and use tax—which means an instant savings of 4.19 percentage points. The exclusion applies to the first \$200 million in annual equipment purchases by each taxpayer.

Before this month, this exemption was

available only to businesses that located in enterprise zones. Now, it's a statewide incentive.

California has the eighth-highest combined average state/local sales tax rate in the country, at 8.42%, and the second-highest in the West, which means a manufacturer's or researcher's sales tax burden would be cut almost in half.

Local rates vary, depending on local add-ons, but some county rates, such as Los Angeles, Alameda and San Mateo, are as high as 9%, while Santa Clara and San Francisco are 8.75%. No matter the county, this new incentive will improve California's competitiveness and tax climate.

Contact: Loren Kaye

ALERT

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Are You Out of Compliance?

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If you aren't displaying a required employment notices poster that includes the \$9.00 state minimum wage effective July 1, 2014, you're not in compliance. Mandatory changes to required Workers' Compensation and Paid Family Leave pamphlets also took effect on that date.

By law, employers must post and hand out the most current employment notices, even if you only have one employee in California. Not informing employees of their rights in the workplace can result in costly lawsuits and fines.

Why wait for "or else"? Order your July 1 compliance products today. CalChamber offers **20% off—while Preferred and Executive members save an extra 20%** after their member discount—through July 31.

PURCHASE at calchamber.com/july1c or call (800) 331-8877 with priority code JULC13.